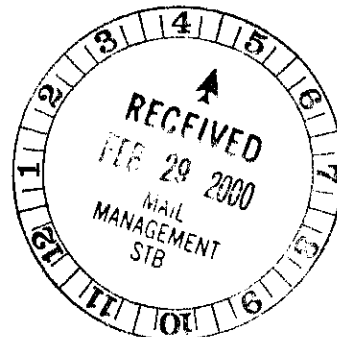


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February 29, 2000

Surface Transportation Board  
Office of the Secretary, Case Control Unit  
Attention: STB Ex Parte No. 582  
1925 K Street, N.W.  
Washington D.C. 20423-0001

Dear Commissioners:

I am the Director of the Mississippi State Port Authority at Gulfport. I am writing to provide my views as requested in STB Ex Parte No. 582. As I understand it the announcement of a merger between the Burlington Northern Santa Fe Railway (BNSF) and the Canadian National Railway (CN) has caused you to seek opinions on the timing and effect of railroad mergers.

In Mississippi we have had a good experience with our most recent railroad merger. Last year the CN merged with the Illinois Central Railroad (IC) and that has been a very positive development for our state. CN/IC dramatically increased the market reach of our shippers, provided new more efficient single line service to those new markets and is helping our state play an increasingly important role as a NAFTA corridor. This was achieved with no service disruptions.

From the perspective of the Port of Gulfport, the CN/IC merger is the beginning of what we hope will be an important success story for Mississippi. A first class port needs first class railroad service if it is to succeed. It appears to us that the CN/IC is on the verge of making that service a reality. Using their haulage rights over the Kansas City Southern Railroad (KCS) they are actively marketing the port. They have already brought us new business and we are enthusiastic about their future plans.

I believe this brief explanation is important in the context of this hearing because I believe the proposed BNSF/CN merger will accelerate and enhance the quality of rail service into Gulfport. Like the CN/IC merger, the BNSF/CN combination will greatly extend Mississippi's reach and single line service to important new markets. It places us on a national railroad network in a way that will make our port more accessible, more competitive and more efficient.

I understand that the STB has exclusive jurisdiction over this matter and that you must make a judgement as to whether it is in the public interest. Obviously, I think it is very much in the public interest of Mississippi and the Port of Gulfport. I hope you will give this proposal a full, fair and timely hearing.

I appreciate the opportunity to express my views to the Board.

Sincerely,

Gary LaGrange  
Executive Director